K

1947.

File No. B. Sales Tax 47

P 31 F

Legal Department.
B **BRANCH**

Subject:— L. A. Bill No XXIX of 1947.

A Bill to amend the Bombay Sale Tax Act, 1946.

Bom Act No XXV of 1947

File No. B. Sales Tax/47

Gen. 194 e.

571-B

A revised draft Bill settled in consultation with the Special Officer(F.D.)is sent herewith.

Government has accepted the recommendation of the Committee that contractors should not be registered and held liable to pay the tax. It is therefore proposed to delete the definition of 'contract' and all consequential references to it in the Act. In addition to the amendments proposed by the Finance Department in this respect it also appears necessary to amend clause(g) of section 2 of the Act. This has been done by revised clause 2(e) of the Bill.

Clause 8 of F.D. draft This has been recast from the drafting point of view.

Clause 5 of F.D. draft This has been transposed as proviso to revised clause 4.

Clause 11 of F.D. draft This has been deleted in view of the proposed amendment of the expression "turnover" in section 2(j)of the Bombay Sales Tax Act, 1946.(See clause 2(e)(ii)of the revised Bill)

Clause 13 of F.D. draft The amendment proposed is unnecessary and has been deleted from the revised draft.

Clause 14 of F.D. draft and revised clause 11.- The proviso proposes to restrict the delegation of some of the Commissioner's powers to an officer not below the rank of a Gazetted Officer. It would be more appropriate to specify the rank of the Officer below which delegation should not be made rather than to refer to the rank of a Gazetted Officer. The words "Sales Tax Officer" have therefore been used in place of the words "Gazetted Officer". The Finance Department should verify whether this carries out their intention.

F.D. draft clause 16(4)- This has been transposed as clause 14.

F.D. clause 19- The amendment proposed is unnecessary.

The subject-matter of the Bill falls under entry 48 in List II and entries 6, 8 and 10 in List III in the 7th Schedule to the Government of India Act, 1935. The Bill would require the recommendation of the Governor under section 82(1)(a)of the Government of India Act, 1935. The Bill does not require any sanction.

Clause 13 of the Bill contains provision repugnant to the provisions of the Indian Sale of Goods Act, 1930(III of 1930), which is an existing Indian Law relating to entries 8 and 10 in List III. The Bill, will have, therefore, to be reserved for the consideration of the Governor General with reference to section 107(2)of the Government of India Act, 1935.

Id./.....

Remembrancer of Legal Affairs.

U.R. to F.D.No. 3235 dated the 2nd April 1947.

SMR 25-8-56
4 Copies.

No. 4187

Legal Department.
Bombay Castle, 24th April 1947.

From

P.M.Lad, Esquire, I.C.S.,
Secretary to the Government of Bombay.

To

The Secretary to the Governor of Bombay.

Subject:- A Bill to amend the Bombay Sales Tax Act, 1946.

Sir,

With reference to section 75 of the Government of India Act, 1935, I am directed to forward herewith for being presented to His Excellency the Governor, an authentic copy of a Bill to amend the Bombay Sales Tax Act, 1946, which was read for the third time and passed at the meetings of the Bombay Legislative Assembly and the Bombay Legislative Council held on the 11th April 1947 and on the 12th April 1947, respectively.

2. None of the provisions of the Bill affects any special responsibility of the Governor under section 52(1)of the Government of India Act, 1935, or falls within the purview of clause(a),(b),(c)or(d)of paragraph XVII of the Instrument of Instructions to the Governor of Bombay.

3. The subject-matter of the Bill falls under entry 48 in List II and entries 5,8 and 10 in List III in the Seventh Schedule to the Government of India Act, 1935.

4. As the provisions of clause 13 of the Bill are repugnant to the provisions of the Indian Sales of Goods Act, 1930 which is an existing Indian Law relating to entries 8 and 10 in the Concurrent Legislative List, it would be necessary to reserve the Bill for the consideration of the Governor General with reference to section 107(2)of the Government of India Act, 1935.

5. I am also to forward herewith six copies of each of

each of the item Nos. 1 to 3 and two copies of item No. 4 of the papers noted in the margin. The Bill was not referred to a Select Committee.

1. Bill as introduced in the Bombay Legislative Assembly with the Statement of Objects and Reasons.
2. Bill as read for the third time and passed by the Bombay Legislative Assembly and as introduced in the Bombay Legislative Council.
3. Bill as read for the third time and passed by the Bombay Legislative Council.
4. Extracts from the proceedings of the Bombay Legislative Assembly dated the 9th and 11th April 1947 and of the Bombay Legislative Council dated the 12th April 1947.

6. Since Government is anxious to publish the Act as early as possible, I am to request you to obtain the assent of the Governor General and to return the Bill so assented immediately so as to enable this Department to take the necessary action.

I have the honour to be,

Sir,

Your most obedient servant,

Id./ P.M.L.
24/4

Secretary to the Government of Bombay,
Legal Department.

Through

The Secretary to the Government of Bombay,
Finance Department.

SLR 25-8-56
4 Copies.

No. G.S. 1441
Office of the Governor's Secretary,
Government House,
Bombay, 29th April 1947.

From

D. Symington, Esquire, C.I.E., I.C.S.,
Secretary to the Governor of Bombay.

To

The Secretary to the Bombay Legislative Assembly & Council.

Subject:- The Bombay Sales Tax(Amendment) Bill, 1947.

Sir,

With reference to the above Bill, which was read for the third time and passed at the meetings of the Bombay Legislative Assembly and the Bombay Legislative Council on the 11th and 12th April 1947 respectively, I am directed to state, for the information of the Honourable the Speaker & President that as the provisions of clause 13 of the Bill are repugnant to the provisions of the Indian Sale of Goods Act, 1930, which is an existing Indian law relating to entries 8 and 10 in the Concurrent Legislative List in the Seventh Schedule to the Government of India Act, 1935, it will be necessary to reserve the Bill for the consideration of His Excellency the Governor-General with reference to section 107(2)of the Government of India Act, 1935. His Excellency the Governor is accordingly pleased, under section 75 of the Act, to declare that he reserves the Bill for the consideration of the Governor-General.

Your obedient servant,
Sd./ D.Symington.
Secretary to the Governor of Bombay.

.....

No. G.S. 1441
Office of the Governor's Secretary,
Government House,
Bombay, 29th April 1947.

Copy forwarded with compliments to:-
1) The Secretary to Govern ent, Legal Department, with reference to his letter No. 4187, dated the 24th April 1947.
Etc.

By order of the Governor of Bombay,
Sd./.....
Secretary to the Governor of Bombay.

SMR 27-8-56.
4 Copies.

No. G.S. 1687
Office of the Governor's Secretary,
Government House,
Bombay, 17th May 1947.

From

D. Symington, Esquire, C.I.E., I.C.S.,
Secretary to the Governor of Bombay.

To

The Secretary to Government,
Legal Department.

Subject:- The Bombay Sales Tax(Amendment)Bill, 1947.

Sir,

With reference to the correspondence resting with my endorsement No. G.S. 1441, dated the 29th April 1947, I am directed to inform you that intimation has been received from the Secretary to the Governor-General(Public)that His Excellency the Govenor-General has assented to the Bombay Sales Tax(Amendment)Bill, 1947, on the 16th May 1947.

Your obedient servant,

Sd/.....

for Secretary to the Governor of Bombay.

SMR 27-8-56
4 Copies.

No. G.S. 1787
Office of the Governor's Secretary,
Government House,
Bombay, 24th May 1947.

From

D. Symington, Esquire, C.I.E., I.C.S.,
Secretary to the Governor of Bombay.

To

The Secretary to Government,
Legal Department.

Subject:- The Bombay Sales Tax(Amendment) Bill, 1947.

Sir,

With reference to the correspondence resting with this Office letter No. G.S.1687, dated the 17th May 1947, I am directed to forward herewith the authentic copy of the Bombay Sales Tax (Amendment)Bill, 1947, with His Excellency the Governor-General's assent signified thereon.

Your obedient servant,

Sd./.....

For Secretary to the Governor of Bombay.

SMR 27-8-56
4 Copies.

Acts.
Publication of the Bombay Sales Tax (Amendment)Act, 1947.

GOVERNMENT OF BOMBAY.
Legal Department.
Resolution No. 5125
Bombay Castle, 19th May 1947.

Letter to the Secretary to the Governor, No. 4187, dated the 24th April 1947.

Letter from the Secretary to the Governor, No. G.S. 1687, dated the 17th May 1947:

With reference to the correspondence resting with my endorsement No. G.S. 1441, dated the 28th April 1947, I am directed to inform you that intimation has been received from the Secretary to the Governor-General (Public)that His Excellency the Governor-General has assented to the Bombay Sales Tax(Amendment)Bill, 1947, on the 16th May 1947".

RESOLUTION: The law should be published as Bombay Act Act No. XXV of 1947 in the Bombay Government Gazette, dated th 19th May1947.

2. The Act should be translated into Marathi, Gujarati, Kannada and Hindustani(in Urdu and Devnagari scripts)and the translations should be published in the Bombay Government Gazette.

3. A copy of the Act should be forwarded to the Finance Department with reference to the memorandum from that Department No. 6495/33-S.T., dated the 5th April 1947.

By order of the Governor of Bombay,

Sd./.....

Sd./P.M.LAD,
Secretary to Government.

To

The Manager, Government Central Press, Bombay(with a copy of the Act and with a request that 30 Gazette copies of the Act may be forwarded to the Legal Department.)

Etc.

SMR 27-8-56
4 Copies.

Registered No. B-1

The Bombay Government Gazette

PUBLISHED BY AUTHORITY

SATURDAY, 5TH APRIL 1947.

Separate paging is given to this Part in order that it may be filed as a separate compilation.

PART V

[To be translated into Marathi, Gujarati, Kannada and Hindustani in (Urdu and Devnagari scripts) and the translations to be published in the "Bombay Government Gazette". The dates of publication to be reported.]

The following Bill is published under the proviso to rule 80 of the Bombay Legislative Assembly Rules :—

L. A. BILL No. XXIX OF 1947.

A Bill to amend the Bombay Sales Tax Act, 1946.

Bom. V of 1946.

WHEREAS it is expedient to amend the Bombay Sales Tax Act, 1946, for the purposes hereinafter appearing; It is hereby enacted as follows :—

Short title and commencement.

1. (*1*) This Act may be called the Bombay Sales Tax (Amendment) Act, 1947.

(*2*) It shall come into force on such date as the Provincial Government may, by notification in the Official Gazette, appoint.

Amendment of section 2 of Bom. V of 1946.

2. In section 2 of the Bombay Sales Tax Act, 1946 (hereinafter called "the said Act")—

Bom. V. of 1946.

(*a*) clause (*b*) shall be deleted;

(*b*) in clause (*d*) the words "whether or not to be used in the construction, fitting out, improvement or repair of immovable property" shall be deleted;

(*c*) in clause (*g*) the words "including a transfer of property in goods involved in the execution of a contract," shall be deleted;

(*d*) in clause (*h*) the word "or" at the end of paragraph (*i*), and paragraph (*ii*), shall be deleted;

(*e*) in clause (*j*)—

(*i*) the words "or carrying out of any contract," shall be deleted; and

(*ii*) after the words "during a given period" the following shall be inserted, namely:—

"after deducting the amounts, if any, refunded by the dealer to a purchaser, in respect of any goods purchased and returned by the purchaser within the prescribed period".

Amendment of section 5 of Bom. V of 1946.

3. In section 5 of the said Act,—

(*1*) in sub-section (*1*) for the portion beginning with the word "exceeded" and ending with the words "before the date so notified," the following shall be substituted, namely:—

"in respect of sales or supplies of goods exceeds—

(*a*) in the case of an importer Rs. 10,000, provided his gross turnover of imports is not less than Rs. 1,000,

(*b*) in the case of a manufacturer or processor Rs. 10,000, and

(*c*) in the case of any other dealer Rs. 30,000,

shall be liable to pay tax under this Act on his turnover in respect of sales or supplies of goods effected after the date so notified.";

(*2*) in sub-section (*2*), for the portion beginning with the words "of three months" and ending with the letters and figures "Rs. 30,000", the following shall be substituted, namely:—

"of two months after the month up to the end of which from the 1st April preceding thereto his turnover in respect of sales or supplies of goods exceeds the limits specified in sub-section (*1*).";

(*3*) in sub-section (*3*), for the words, letters and figures "has failed to exceed Rs. 30,000," the following shall be substituted, namely:—

"in respect of sales or supplies of goods has failed to exceed the limits specified in sub-section (*1*)";

(*4*) in sub-section (*4*) for the words, letters and figures "again exceeds Rs. 30,000" the following shall be substituted, namely:—

"in respect of sales or supplies of goods again exceeds the limits specified in sub-section (*1*),"

Amendment of section 6 of Bom. V of 1946.

4. In section 6 of the said Act, for paragraph (*ii*) in clause (*a*) of sub-section (*2*), the following shall be substituted, namely:—

"(*ii*) sales to a registered dealer of goods certified by him as being intended for resale by him, or of goods specified in the purchasing dealer's certificate of registration as being intended for use by him in the manufacture or processing of any goods for sale or on sales to a registered dealer of containers and other materials for the packing of such goods:

Provided that where such goods are utilised by him for purposes other than those specified in his certificate of registration, the price of goods so utilised shall be included in his taxable turnover;"

5. In sub-section (*2*) of section 7 of the said Act, after the words " add to " the words " or otherwise amend " shall be inserted. Amendment of section 7 of Bom. V of 1946.

6. In sub-section (*3*) of section 8 of the said Act, the words " which shall specify the class or classes of goods in which at the time of the grant of the said certificate the dealer carries on business and such other particulars as may be prescribed " shall be deleted. Amendment of section 8 of Bom. V of 1946.

7. After section 8 of the said Act, the following new section shall be inserted, namely :— Insertion of new section 8-A in Bom. V of 1946.

" 8-A. (*1*) If on the application of any dealer the authority prescribed for the purposes of section 8 is satisfied, that his gross turnover during a year has exceeded or is likely to exceed Rs. 10,000, the said authority may notwithstanding that the dealer may not be liable to pay tax under section 5 register the dealer and grant him a certificate of registration in the prescribed manner. Voluntary registration of dealers.

(*2*) The provisions of sub-sections (*3*) and (*4*) and clause (*a*) of sub-section (*6*) of section 8 shall apply in respect of applications for registration under this section.

(*3*) Every dealer who has been registered upon application made under this section shall, for so long as his registration remains in force, be liable to pay tax under this Act.

(*4*) The registration of a dealer upon application made under this section shall be in force for a period of not less than three complete years and shall remain in force thereafter unless cancelled under the provisions of this Act.

(*5*) Subject to the provisions of sub-section (*4*), a dealer registered upon application made under this section may apply in the prescribed manner not less than six months before the end of a year to the authority which granted him his certificate of registration for the cancellation of such registration to take effect at the end of the year in which the application for such cancellation is made; and the said authority shall, unless the dealer is liable to pay tax under section 5, cancel the registration accordingly."

8. In sub-section (*2*) of section 10 of the said Act, for the words " at any time before assessment is made in the prescribed manner " the words " before the expiry of the quarter next following the period to which the return relates " shall be substituted. Amendment of section 10 of Bom. V of 1946.

9. In sub-section (*3*) of section 11 of the said Act, the word " all " shall be deleted. Amendment of section 11 of Bom. V of 1946.

Amendment of section 14 of Bom. V of 1946.

10. In section 14 of the said Act, after the words " records of sales " the words " necessary for the purposes of proper assessment " shall be inserted.

Amendment of section 16 of Bom. V of 1946.

11. To section 16 of the said Act, the following proviso shall be added, namely :—

" Provided that the powers under sub-sections (*3*) and (*4*) of section 15 shall not be delegated to any officer below the rank of a Sales Tax Officer.

Amendment of section 17 of Bom. V of 1946.

12. In clause (*c*) of section 17 of the said Act, for the words " in which he carries on business " the words " manufactured or processed by him " shall be substituted.

Amendment of section 18 of Bom. V of 1946.

13. (*1*) Section 18 of the said Act shall be renumbered as sub-section (*1*) of the said section 18.

(*2*) After sub-section (*1*) of section 18 as so renumbered, the following new sub-sections shall be inserted, namely :—

" (*2*) When a registered dealer transfers the ownership of a part of his business the transferor shall be liable to pay tax under this Act in respect of the stock of goods transferred along with that part of his business, which is not so transferred, as if the goods had been sold by him, unless the transferee holds or obtains within the prescribed period a certificate of registration.

(*3*) When a firm which is a registered dealer is dissolved, each of such partners shall, unless he holds or obtains within the prescribed period a certificate of registration, be liable to pay tax under this Act in proportion to his share of goods in the partnership, as if the goods had been sold by him.

(*4*) When a dealer to whom a business or part of a business has been transferred, or who has obtained the whole or part of the stock relating to the business of a partnership which has been discontinued or dissolved, obtains a certificate of registration under sub-sections (*1*) to (*3*) he shall be liable to pay the tax on the sales or supplies of goods effected by him with effect from the date of such transfer of business, discontinuance or dissolution of the partnership, as the case may be. "

Insertion of new section 18-A in Bom. V of 1946.

14. After section 18 of the said Act, the following new section shall be inserted, namely :—

Liability to tax on cancellation of certificate.

" 18-A. When a certificate of registration is cancelled under sub-section (*6*) of section 8 in any case other than that of a dissolution of a firm, the dealer shall be liable to pay tax on his stock of goods remaining unsold at the time of cancellation of the certificate."

15. In section 19 of the said Act, the words " or contract " wherever they occur and the words " contract entered into or " shall be deleted. Amendment of section 19 of Bom. V of 1946.

16. After section 19 of the said Act, the following new section shall be inserted, namely :— Insertion of new section 19-A in Bom. V of 1946.

" 19-A. For the purposes of this Act, the Commissioner shall have the same powers as are vested in Courts in respect of— Powers of Court to Commissioner.

(*a*) proof of facts by affidavits ;

(*b*) summoning and enforcing the attendance of any person and examining him on oath ;

(*c*) compelling the production of documents ; and

(*d*) issuing commissions for the examinations of witnesses."

17. In sub-section (*2*) of section 29 of the said Act,— Amendment of section 29 of Bom. V of 1946.

(*a*) for clause (*a*) the following shall be substituted, namely :—

" (*a*) the period for return of goods under clause (*j*) of section 2 ; " ;

(*b*) after clause (*f*) the following new clause shall be inserted, namely :—

" (*ff*) the manner in which a certificate of registration may be granted under sub-section (*1*), and the manner in which application may be made under sub-section (*5*) of section 8-A ; " ;

(*c*) after clause (*n*) the following new clause shall be inserted, namely :—

" (*nn*) the period for obtaining certificates of registration under sub-section (*2*) or (*3*) of section 18 ; ".

STATEMENT OF OBJECTS AND REASONS.

A Sales Tax Enquiry Committee was appointed by Government in October 1946 to consider whether the scheme of the sales tax adopted in the Bombay Sales Tax Act, 1946, requires modification, and, if so, to indicate the lines of modification. The Committee has submitted its report. Government considers it desirable to implement, without delay, some of the recommendations made by the Committee. These are mainly recommendations which, while not involving a departure from the present scheme of the Act, seek to remove various difficulties now experienced by the dealers. The requisite amendments are incorporated in the Bill.

(Signed) VAIKUNTH L. MEHTA.

Dated 2nd April 1947.

By order of the Governor of Bombay,

D. V. VYAS,
Secretary to Government.

Bombay, dated 5th April 1947.
V—51

BOMBAY : PRINTED AT THE GOVERNMENT CENTRAL PRESS.

L. A. BILL No. XXIX OF 1947.

A Bill to amend the Bombay Sales Tax Act, 1946.

(As read for the third time and passed by the Legislative Assembly on the 11th April 1947.)

WHEREAS it is expedient to amend the Bombay Sales Tax Act, 1946, for the purposes hereinafter appearing; It is hereby enacted as follows:—

Bom. V of 1946.

Short title and commencement.

1. (*1*) This Act may be called the Bombay Sales Tax (Amendment) Act, 1947.

(*2*) It shall come into force on such date as the Provincial Government may, by notification in the Official Gazette, appoint.

Amendment of section 2 of Bom. V of 1946.

2. In section 2 of the Bombay Sales Tax Act, 1946 (hereinafter called "the said Act")—

(*a*) clause (*b*) shall be deleted;

(*b*) in clause (*d*) the words "whether or not to be used in the construction, fitting out, improvement or repair of immovable property" shall be deleted;

(*c*) in clause (*g*) the words "including a transfer of property in goods involved in the execution of a contract," shall be deleted;

(*d*) in clause (*h*) the word "or" at the end of paragraph (*i*), and paragraph (*ii*), shall be deleted;

(*e*) in clause (*j*)—

(*i*) the words "or carrying out of any contract," shall be deleted; and

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(*ii*) after the words "during a given period" the following shall be inserted, namely :—

"after deducting the amounts, if any, refunded by the dealer to a purchaser, in respect of any goods purchased and returned by the purchaser within the prescribed period".

Amendment of section 5 of Bom. V of 1946.

3. In section 5 of the said Act,—

(*1*) in sub-section (*1*) for the portion beginning with the word "exceeded" and ending with the words "before the date so notified," the following shall be substituted, namely :—

"in respect of sales or supplies of goods exceeds—

(*a*) in the case of an importer Rs. 10,000, provided his gross turnover of imports is not less than Rs. 1,000,

(*b*) in the case of a manufacturer or processor Rs. 10,000, and

(*c*) in the case of any other dealer Rs. 30,000,

shall be liable to pay tax under this Act on his turnover in respect of sales or supplies of goods effected after the date so notified." ;

(*2*) in sub-section (*2*), for the portion beginning with the words "of three months" and ending with the letters and figures "Rs. 30,000", the following shall be substituted, namely :—

"of two months after the month up to the end of which from the 1st April preceding thereto his turnover in respect of sales or supplies of goods exceeds the limits specified in sub-section (*1*)." ;

(*3*) in sub-section (*3*), for the words, letters and figures "has failed to exceed Rs. 30,000," the following shall be substituted, namely :—

"in respect of sales or supplies of goods has failed to exceed the limits specified in sub-section (*1*)" ;

(*4*) in sub-section (*4*) for the words, letters and figures "again exceeds Rs. 30,000" the following shall be substituted, namely :—

"in respect of sales or supplies of goods again exceeds the limits specified in sub-section (*1*)."

Amendment of section 6 of Bom. V of 1946.

4. In section 6 of the said Act, for paragraph (*ii*) in clause (*a*) of sub-section (*2*), the following shall be substituted, namely :—

"(*ii*) sales to a registered dealer of goods certified by him as being intended for resale by him, or of goods specified in the purchasing dealer's certificate of registration as being intended for use by him in the manufacture or processing of any goods for sale or on sales to a registered dealer of containers and other materials for the packing of such goods :

Provided that where such goods are utilised by him for purposes other than those specified in his certificate of registration, the price of goods so utilised shall be included in his taxable turnover ;"

5. In sub-section (*2*) of section 7 of the said Act, after the words "the Schedule" where they occur for the first time the words "or enlarge any entry therein" shall be inserted. Amendment of section 7 of Bom. V of 1946.

6. In section 8 of the said Act,—

(*1*) in sub-section (*3*) the words "which shall specify the class or classes of goods in which at the time of the grant of the said certificate the dealer carries on business and such other particulars as may be prescribed" shall be deleted; Amendment of section 8 of Bom. V of 1946.

(*2*) in sub-section (*6*) for the letters and figures "Rs. 30,000" the words, figures and brackets "the limits specified in sub-section (*1*) of section 5" shall be substituted.

7. After section 8 of the said Act, the following new section shall be inserted, namely :— Insertion of new section 8-A in Bom. V of 1946.

"8-A. (*1*) If on the application of any dealer the authority prescribed for the purposes of section 8 is satisfied, that his gross turnover during a year has exceeded or is likely to exceed Rs. 10,000, the said authority may notwithstanding that the dealer may not be liable to pay tax under section 5 register the dealer and grant him a certificate of registration in the prescribed manner. Voluntary registration of dealers.

(*2*) The provisions of sub-sections (*3*) and (*4*) and clause (*a*) of sub-section (*6*) of section 8 shall apply in respect of applications for registration under this section.

(*3*) Every dealer who has been registered upon application made under this section shall, for so long as his registration remains in force, be liable to pay tax under this Act.

(*4*) The registration of a dealer upon application made under this section shall be in force for a period of not less than three complete years and shall remain in force thereafter unless cancelled under the provisions of this Act.

(*5*) Subject to the provisions of sub-section (*4*), a dealer registered upon application made under this section may apply in the prescribed manner not less than six months before the end of a year to the authority which granted him his certificate of registration for the cancellation of such registration to take effect at the end of the year in which the application for such cancellation is made; and the said authority shall, unless the dealer is liable to pay tax under section 5, cancel the registration accordingly."

8. In sub-section (*2*) of section 10 of the said Act, for the words "at any time before assessment is made in the prescribed manner" the words "before the expiry of the quarter next following the period to which the return relates" shall be substituted. Amendment of section 10 of Bom. V of 1946.

9. In sub-section (*3*) of section 11 of the said Act, the word "all" shall be deleted. Amendment of section 11 of Bom. V of 1946.

Amendment of section 14 of Bom. V of 1946.

10. In section 14 of the said Act, after the words "records of sales" the words "necessary for the purposes of proper assessment" shall be inserted.

Amendment of section 16 of Bom. V of 1946.

11. To section 16 of the said Act, the following proviso shall be added, namely :—

"Provided that the powers under sub-sections (*3*) and (*4*) of section 15 shall not be delegated to any officer below the rank of a Sales Tax Officer.

Amendment of section 17 of Bom. V of 1946.

12. In section 17 of the said Act,—

(*1*) in clause (*a*), in line 2, the comma after the word "effects" shall be deleted and a comma shall be put after the word "business" in the same line ;

(*2*) in clause (*c*) for the words "in which he carries on business" the words "manufactured or processed by him" shall be substituted.

Amendment of section 18 of Bom. V of 1946.

13. (*1*) Section 18 of the said Act shall be renumbered as sub-section (*1*) of the said section 18.

(*2*) After sub-section (*1*) of section 18 as so renumbered, the following new sub-sections shall be inserted, namely :—

"(*2*) When a registered dealer transfers the ownership of a part of his business the transferor shall be liable to pay tax under this Act in respect of the stock of goods transferred along with that part of his business, which is not so transferred, as if the goods had been sold by him, unless the transferee holds or obtains within the prescribed period a certificate of registration.

(*3*) When a firm which is a registered dealer is dissolved, each of such partners shall, unless he holds or obtains within the prescribed period a certificate of registration, be liable to pay tax under this Act in proportion to his share of goods in the partnership, as if the goods had been sold by him.

(*4*) When a dealer to whom a business or part of a business has been transferred, or who has obtained the whole or part of the stock relating to the business of a partnership which has been discontinued or dissolved, obtains a certificate of registration under sub-sections (*1*) to (*3*) he shall be liable to pay the tax on the sales or supplies of goods effected by him with effect from the date of such transfer of business, discontinuance or dissolution of the partnership, as the case may be."

Insertion of new section 18-A in Bom. V of 1946.

14. After section 18 of the said Act, the following new section shall be inserted, namely :—

Liability to tax on cancellation of certificate.

"18-A. When a certificate of registration is cancelled under sub-section (*6*) of section 8 in any case other than that of a dissolution of a firm, the dealer shall be liable to pay tax on his stock of goods remaining unsold at the time of cancellation of the certificate."

15. In section 19 of the said Act, the words " or contract " wherever they occur and the words " contract entered into or " and the words, figures and brackets "under sub-section (*3*) of section 8 " shall be deleted. Amendment of section 19 of Bom. V of 1946.

16. After section 19 of the said Act, the following new section shall be inserted, namely :— Insertion of new section 19-A in Bom. V of 1946.

" 19-A. For the purposes of this Act, the Commissioner shall have the same powers as are vested in Courts in respect of— Powers of Court to Commissioner.

(*a*) proof of facts by affidavits ;

(*b*) summoning and enforcing the attendance of any person and examining him on oath ;

(*c*) compelling the production of documents ; and

(*d*) issuing commissions for the examinations of witnesses."

17. In sub-section (*2*) of section 29 of the said Act,— Amendment of section 29 of Bom. V of 1946.

(*a*) for clause (*a*) the following shall be substituted, namely :—

"(*a*) the period for return of goods under clause (*j*) of section 2 ; " ;

(*b*) after clause (*f*) the following new clause shall be inserted, namely :—

"(*ff*) the manner in which a certificate of registration may be granted under sub-section (*1*), and the manner in which application may be made under sub-section (*5*) of section 8-A ; " ;

(*c*) after clause (*n*) the following new clause shall be inserted, namely :—

" (*nn*) the period for obtaining certificates of registration under sub-section (*2*) or (*3*) of section 18 ; ".

STATEMENT OF OBJECTS AND REASONS.

A Sales Tax Enquiry Committee was appointed by Government in October 1946 to consider whether the scheme of the sales tax adopted in the Bombay Sales Tax Act, 1946, requires modification, and, if so, to indicate the lines of modification. The Committee has submitted its report. Government considers it desirable to implement, without delay, some of the recommendations made by the Committee. These are mainly recommendations which, while not involving a departure from the present scheme of the Act, seek to remove various difficulties now experienced by the dealers. The requisite amendments are incorporated in the Bill.

Dated 2nd April 1947.

VAIKUNTH L. MEHTA.

Government of Bombay

LEGAL DEPARTMENT

[L. A. BILL No. XXIX OF 1947.]

(As read for the third time and passed by the Legislative Assembly on the 11th April 1947.)

A Bill to amend the Bombay Sales Tax Act, 1946.

[Mr. VAIKUNTH L. MEHTA, M.L.A

BOMBAY : PRINTED AT THE GOVERNMENT CENTRAL PRESS.

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L. A. BILL No. XXIX OF 1947.

A Bill to amend the Bombay Sales Tax Act, 1946.

(As read for the third time and passed by the Legislative Assembly on the 11th April 1947.)

(As read for the third time and passed by the Legislative Council on the 12th April 1947.)

WHEREAS it is expedient to amend the Bombay Sales Tax Act, 1946, for the purposes hereinafter appearing; It is hereby enacted as follows:—

Bom. V of 1946.

Short title and commencement.

1. (*1*) This Act may be called the Bombay Sales Tax (Amendment) Act, 1947.

(*2*) It shall come into force on such date as the Provincial Government may, by notification in the *Official Gazette*, appoint.

Amendment of section 2 of Bom. V of 1946.

2. In section 2 of the Bombay Sales Tax Act, 1946 (hereinafter called "the said Act")—

(*a*) clause (*b*) shall be deleted;

(*b*) in clause (*d*) the words "whether or not to be used in the construction, fitting out, improvement or repair of immovable property" shall be deleted;

(*c*) in clause (*g*) the words "including a transfer of property in goods involved in the execution of a contract," shall be deleted;

(*d*) in clause (*h*) the word "or" at the end of paragraph (*i*), and paragraph (*ii*), shall be deleted;

(*e*) in clause (*j*)—

(*i*) the words "or carrying out of any contract," shall be deleted; and

(*ii*) after the words "during a given period" the following shall be inserted, namely:—

"after deducting the amounts, if any, refunded by the dealer to a purchaser, in respect of any goods purchased and returned by the purchaser within the prescribed period".

Amendment of section 5 of Bom. V of 1946.

3. In section 5 of the said Act,—

(*1*) in sub-section (*1*) for the portion beginning with the word "exceeded" and ending with the words "before the date so notified," the following shall be substituted, namely:—

"in respect of sales or supplies of goods exceeds—

(*a*) in the case of an importer Rs. 10,000, provided his gross turnover of imports is not less than Rs. 1,000,

(*b*) in the case of a manufacturer or processor Rs. 10,000, and

(*c*) in the case of any other dealer Rs. 30,000,

shall be liable to pay tax under this Act on his turnover in respect of sales or supplies of goods effected after the date so notified.";

(*2*) in sub-section (*2*), for the portion beginning with the words "of three months" and ending with the letters and figures "Rs. 30,000", the following shall be substituted, namely:—

"of two months after the month up to the end of which from the 1st April preceding thereto his turnover in respect of sales or supplies of goods exceeds the limits specified in sub-section (*1*).";

(*3*) in sub-section (*3*), for the words, letters and figures "has failed to exceed Rs. 30,000," the following shall be substituted, namely:—

"in respect of sales or supplies of goods has failed to exceed the limits specified in sub-section (*1*)";

(*4*) in sub-section (*4*) for the words, letters and figures "again exceeds Rs. 30,000" the following shall be substituted, namely:—

"in respect of sales or supplies of goods again exceeds the limits specified in sub-section (*1*)."

Amendment of section 6 of Bom. V of 1946.

4. In section 6 of the said Act, for paragraph (*ii*) in clause (*a*) of sub-section (*2*), the following shall be substituted, namely:—

"(*ii*) sales to a registered dealer of goods certified by him as being intended for resale by him, or of goods specified in the purchasing dealer's certificate of registration as being intended for use by him in the manufacture or processing of any goods for sale or on sales to a registered dealer of containers and other materials for the packing of such goods:

Provided that where such goods are utilised by him for purposes other than those specified in his certificate of registration, the price of goods so utilised shall be included in his taxable turnover;"

5. In sub-section (*2*) of section 7 of the said Act, after the words "the Schedule" where they occur for the first time the words "or enlarge any entry therein" shall be inserted. Amendment of section 7 of Bom. V of 1946.

6. In section 8 of the said Act,— Amendment of section 8 of Bom. V of 1946.

(*1*) in sub-section (*3*) the words "which shall specify the class or classes of goods in which at the time of the grant of the said certificate the dealer carries on business and such other particulars as may be prescribed" shall be deleted;

(*2*) in sub-section (*6*) for the letters and figures "Rs. 30,000" the words, figures and brackets "the limits specified in sub-section (*1*) of section 5" shall be substituted.

7. After section 8 of the said Act, the following new section shall be inserted, namely :— Insertion of new section 8-A in Bom. V of 1946.

"8-A. (*1*) If on the application of any dealer the authority prescribed for the purposes of section 8 is satisfied, that his gross turnover during a year has exceeded or is likely to exceed Rs. 10,000, the said authority may notwithstanding that the dealer may not be liable to pay tax under section 5 register the dealer and grant him a certificate of registration in the prescribed manner. Voluntary registration of dealers.

(*2*) The provisions of sub-sections (*3*) and (*4*) and clause (*a*) of sub-section (*6*) of section 8 shall apply in respect of applications for registration under this section.

(*3*) Every dealer who has been registered upon application made under this section shall, for so long as his registration remains in force, be liable to pay tax under this Act.

(*4*) The registration of a dealer upon application made under this section shall be in force for a period of not less than three complete years and shall remain in force thereafter unless cancelled under the provisions of this Act.

(*5*) Subject to the provisions of sub-section (*4*), a dealer registered upon application made under this section may apply in the prescribed manner not less than six months before the end of a year to the authority which granted him his certificate of registration for the cancellation of such registration to take effect at the end of the year in which the application for such cancellation is made; and the said authority shall, unless the dealer is liable to pay tax under section 5, cancel the registration accordingly."

8. In sub-section (*2*) of section 10 of the said Act, for the words "at any time before assessment is made in the prescribed manner" the words "before the expiry of the quarter next following the period to which the return relates" shall be substituted. Amendment of section 10 of Bom. V of 1946.

9. In sub-section (*3*) of section 11 of the said Act, the word "all" shall be deleted. Amendment of section 11 of Bom. V of 1946.

Amendment of section 14 of Bom. V of 1946.

10. In section 14 of the said Act, after the words " records of sales " the words " necessary for the purposes of proper assessment " shall be inserted.

Amendment of section 16 of Bom. V of 1946.

11. To section 16 of the said Act, the following proviso shall be added, namely :—

" Provided that the powers under sub-sections (*3*) and (*4*) of section 15 shall not be delegated to any officer below the rank of a Sales Tax Officer.

Amendment of section 17 of Bom. V of 1946.

12. In section 17 of the said Act,—

(*1*) in clause (*a*), in line 2, the comma after the word " effects " shall be deleted and a comma shall be put after the word " business " in the same line ;

(*2*) in clause (*c*) for the words " in which he carries on business " the words " manufactured or processed by him " shall be substituted.

Amendment of section 18 of Bom. V of 1946.

13. (*1*) Section 18 of the said Act shall be renumbered as sub-section (*1*) of the said section 18.

(*2*) After sub-section (*1*) of section 18 as so renumbered, the following new sub-sections shall be inserted, namely :—

" (*2*) When a registered dealer transfers the ownership of a part of his business the transferor shall be liable to pay tax under this Act in respect of the stock of goods transferred along with that part of his business, which is not so transferred, as if the goods had been sold by him, unless the transferee holds or obtains within the prescribed period a certificate of registration.

(*3*) When a firm which is a registered dealer is dissolved, each of such partners shall, unless he holds or obtains within the prescribed period a certificate of registration, be liable to pay tax under this Act in proportion to his share of goods in the partnership, as if the goods had been sold by him.

(*4*) When a dealer to whom a business or part of a business has been transferred, or who has obtained the whole or part of the stock relating to the business of a partnership which has been discontinued or dissolved, obtains a certificate of registration under sub-sections (*1*) to (*3*) he shall be liable to pay the tax on the sales or supplies of goods effected by him with effect from the date of such transfer of business, discontinuance or dissolution of the partnership, as the case may be. "

Insertion of new section 18-A in Bom. V of 1946.

14. After section 18 of the said Act, the following new section shall be inserted, namely :—

Liability to tax on cancellation of certificate.

" 18-A. When a certificate of registration is cancelled under sub-section (*6*) of section 8 in any case other than that of a dissolution of a firm, the dealer shall be liable to pay tax on his stock of goods remaining unsold at the time of cancellation of the certificate."

15. In section 19 of the said Act, the words " or contract " wherever they occur and the words " contract entered into or " and the words, figures and brackets "under sub-section (*3*) of section 8 " shall be deleted. Amendment of section 19 of Bom. V of 1946.

16. After section 19 of the said Act, the following new section shall be inserted, namely :— Insertion of new section 19-A in Bom. V of 1946.

" 19-A. For the purposes of this Act, the Commissioner shall have the same powers as are vested in Courts in respect of— Powers of Court to Commissioner.

(*a*) proof of facts by affidavits ;

(*b*) summoning and enforcing the attendance of any person and examining him on oath ;

(*c*) compelling the production of documents ; and

(*d*) issuing commissions for the examinations of witnesses."

17. In sub-section (*2*) of section 29 of the said Act,— Amendment of section 29 of Bom. V of 1946.

(*a*) for clause (*a*) the following shall be substituted, namely :—

" (*a*) the period for return of goods under clause (*j*) of section 2 ; " ;

(*b*) after clause (*f*) the following new clause shall be inserted, namely :—

" (*ff*) the manner in which a certificate of registration may be granted under sub-section (*1*), and the manner in which application may be made under sub-section (*5*) of section 8-A ; " ;

(*c*) after clause (*n*) the following new clause shall be inserted, namely :—

" (*nn*) the period for obtaining certificates of registration under sub-section (*2*) or (*3*) of section 18 ; ".

Government of Bombay

LEGAL DEPARTMENT

[L. A. BILL No. XXIX OF 1947.]

(As read for the third time and passed by the Legislative Assembly on the 11th April 1947.)

(As read for the third time and passed by the Legislative Council on the 12th April 1947.)

A Bill to amend the Bombay Sales Tax Act, 1946.

[Mr. VAIKUNTH L. MEHTA, M.L.A.].

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Separate paging is given to this Part in order that it may be filed as a separate compilation.

PART IV

(1) Acts of the Local Legislature of the Bombay Province and (2) Acts of the Indian Legislature assented to by the Governor General.

CONTENTS.

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BOMBAY ACT No. XXV OF 1947—An Act to amend the Bombay Sales Tax Act, 1946	246-250

The following Act of the Bombay Legislature having been assented to by the Governor General on the 16th May 1947 is hereby published for general information.

P. M. LAD,

Secretary to the Government of Bombay,
Legal Department.

BOMBAY ACT No. XXV OF 1947.

(First published, after having received the assent of the Governor General, in the "Bombay Government Gazette" on the 19th May 1947.)

An Act to amend the Bombay Sales Tax Act, 1946.

WHEREAS it is expedient to amend the Bombay Sales Tax Act, 1946, for the purposes hereinafter appearing; It is hereby enacted as follows:—

Bom. V of 1946.

1. (*1*) This Act may be called the Bombay Sales Tax (Amendment) Act, 1947. **Short title and commencement.**

(*2*) It shall come into force on such date as the Provincial Government may, by notification in the *Official Gazette*, appoint.

Bom. V of 1946.

2. In section 2 of the Bombay Sales Tax Act, 1946 (hereinafter called "the said Act")— **Amendment of section 2 of Bom. V of 1946.**

(*a*) clause (*b*) shall be deleted;

(*b*) in clause (*d*) the words "whether or not to be used in the construction, fitting out, improvement or repair of immovable property" shall be deleted;

(*c*) in clause (*g*) the words "including a transfer of property in goods involved in the execution of a contract," shall be deleted;

(*d*) in clause (*h*) the word "or" at the end of paragraph (*i*), and paragraph (*ii*), shall be deleted;

(*e*) in clause (*j*)—

(*i*) the words "or carrying out of any contract," shall be deleted; and

(*ii*) after the words "during a given period" the following shall be inserted, namely:—

"after deducting the amounts, if any, refunded by the dealer to a purchaser, in respect of any goods purchased and returned by the purchaser within the prescribed period".

Amendment of section 5 of Bom. V of 1946.

3. In section 5 of the said Act,—

(*1*) in sub-section (*1*) for the portion beginning with the word "exceeded" and ending with the words "before the date so notified," the following shall be substituted, namely:—

"in respect of sales or supplies of goods exceeds—

(*a*) in the case of an importer Rs. 10,000, provided his gross turnover of imports is not less than Rs. 1,000,

(*b*) in the case of a manufacturer or processor Rs. 10,000, and

(*c*) in the case of any other dealer Rs. 30,000,

shall be liable to pay tax under this Act on his turnover in respect of sales or supplies of goods effected after the date so notified.";

(*2*) in sub-section (*2*), for the portion beginning with the words "of three months" and ending with the letters and figures "Rs. 30,000", the following shall be substituted, namely:—

"of two months after the month up to the end of which from the 1st April preceding thereto his turnover in respect of sales or supplies of goods exceeds the limits specified in sub-section (*1*).";

(*3*) in sub-section (*3*), for the words, letters and figures "has failed to exceed Rs. 30,000," the following shall be substituted, namely:—

"in respect of sales or supplies of goods has failed to exceed the limits specified in sub-section (*1*)";

(*4*) in sub-section (*4*) for the words, letters and figures "again exceeds Rs. 30,000" the following shall be substituted, namely:—

"in respect of sales or supplies of goods again exceeds the limits specified in sub-section (*1*)."

Amendment of section 6 of Bom. V of 1946.

4. In section 6 of the said Act, for paragraph (*ii*) in clause (*a*) of sub-section (*2*), the following shall be substituted, namely:—

"(*ii*) sales to a registered dealer of goods certified by him as being intended for resale by him, or of goods specified in the purchasing dealer's certificate of registration as being intended for use by him in the manufacture or processing of any goods for sale or on sales to a registered dealer of containers and other materials for the packing of such goods:

Provided that where such goods are utilised by him for purposes other than those specified in his certificate of registration, the price of goods so utilised shall be included in his taxable turnover;"

(*ii*) after the words "during a given period" the following shall be inserted, namely :—

"after deducting the amounts, if any, refunded by the dealer to a purchaser, in respect of any goods purchased and returned by the purchaser within the prescribed period".

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(*1*) in sub-section (*1*) for the portion beginning with the word "exceeded" and ending with the words "before the date so notified," the following shall be substituted, namely :—

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(*b*) in the case of a manufacturer or processor Rs. 10,000, and

(*c*) in the case of any other dealer Rs. 30,000,

shall be liable to pay tax under this Act on his turnover in respect of sales or supplies of goods effected after the date so notified." ;

(*2*) in sub-section (*2*), for the portion beginning with the words "of three months" and ending with the letters and figures "Rs. 30,000", the following shall be substituted, namely :

"of two months after the month up to the end of which from the 1st April preceding thereto his turnover in respect of sales or supplies of goods exceeds the limits specified in sub-section (*1*)." ;

(*3*) in sub-section (*3*), for the words, letters and figures "has failed to exceed Rs. 30,000," the following shall be substituted, namely :—

"in respect of sales or supplies of goods has failed to exceed the limits specified in sub-section (*1*)" ;

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4. In section 6 of the said Act, for paragraph (*ii*) in clause (*a*) of sub-section (*2*), the following shall be substituted, namely :—

"(*ii*) sales to a registered dealer of goods certified by him as being intended for resale by him, or of goods specified in the purchasing dealer's certificate of registration as being intended for use by him in the manufacture or processing of any goods for sale or on sales to a registered dealer of containers and other materials for the packing of such goods :

Provided that where such goods are utilised by him for purposes other than those specified in his certificate of registration, the price of goods so utilised shall be included in his taxable turnover ;"

Amendment of section 7 of Bom. V of 1946.

5. In sub-section (*2*) of section 7 of the said Act, after the words "the Schedule" where they occur for the first time the words "or enlarge any entry therein" shall be inserted.

Amendment of section 8 of Bom. V of 1946.

6. In section 8 of the said Act,—

(*1*) in sub-section (*3*) the words "which shall specify the class or classes of goods in which at the time of the grant of the said certificate the dealer carries on business and such other particulars as may be prescribed" shall be deleted;

(*2*) in sub-section (*6*) for the letters and figures "Rs. 30,000" the words, figures and brackets "the limits specified in sub-section (*1*) of section 5" shall be substituted.

Insertion of new section 8-A in Bom. V of 1946.

7. After section 8 of the said Act, the following new section shall be inserted, namely :—

Voluntary registration of dealers.

"8-A. (*1*) If on the application of any dealer the authority prescribed for the purposes of section 8 is satisfied, that his gross turnover during a year has exceeded or is likely to exceed Rs. 10,000, the said authority may notwithstanding that the dealer may not be liable to pay tax under section 5 register the dealer and grant him a certificate of registration in the prescribed manner.

(*2*) The provisions of sub-sections (*3*) and (*4*) and clause (*a*) of sub-section (*6*) of section 8 shall apply in respect of applications for registration under this section.

(*3*) Every dealer who has been registered upon application made under this section shall, for so long as his registration remains in force, be liable to pay tax under this Act.

(*4*) The registration of a dealer upon application made under this section shall be in force for a period of not less than three complete years and shall remain in force thereafter unless cancelled under the provisions of this Act.

(*5*) Subject to the provisions of sub-section (*4*), a dealer registered upon application made under this section may apply in the prescribed manner not less than six months before the end of a year to the authority which granted him his certificate of registration for the cancellation of such registration to take effect at the end of the year in which the application for such cancellation is made; and the said authority shall, unless the dealer is liable to pay tax under section 5, cancel the registration accordingly."

Amendment of section 10 of Bom. V of 1946.

8. In sub-section (*2*) of section 10 of the said Act, for the words "at any time before assessment is made in the prescribed manner" the words "before the expiry of the quarter next following the period to which the return relates" shall be substituted.

Amendment of section 11 of Bom. V of 1946.

9. In sub-section (*3*) of section 11 of the said Act, the word "all" shall be deleted.

Amendment of section 14 of Bom. V of 1946.

10. In section 14 of the said Act, after the words "records of sales" the words "necessary for the purposes of proper assessment" shall be inserted.

Amendment of section 16 of Bom. V of 1946.

11. To section 16 of the said Act, the following proviso shall be added, namely :—

"Provided that the powers under sub-sections (*3*) and (*4*) of section 15 shall not be delegated to any officer below the rank of a Sales Tax Officer.

Amendment of section 17 of Bom. V of 1946.

12. In section 17 of the said Act,—

(*1*) in clause (*a*), in line 2, the comma after the word "effects" shall be deleted and a comma shall be put after the word "business" in the same line ;

(*2*) in clause (*c*) for the words "in which he carries on business" the words "manufactured or processed by him" shall be substituted.

Amendment of section 18 of Bom. V of 1946.

13. (*1*) Section 18 of the said Act shall be renumbered as sub-section (*1*) of the said section 18.

(*2*) After sub-section (*1*) of section 18 as so renumbered, the following new sub-sections shall be inserted, namely :—

"(*2*) When a registered dealer transfers the ownership of a part of his business the transferor shall be liable to pay tax under this Act in respect of the stock of goods transferred along with that part of his business, which is not so transferred, as if the goods had been sold by him, unless the transferee holds or obtains within the prescribed period a certificate of registration.

(*3*) When a firm which is a registered dealer is dissolved, each of such partners shall, unless he holds or obtains within the prescribed period a certificate of registration, be liable to pay tax under this Act in proportion to his share of goods in the partnership, as if the goods had been sold by him.

(*4*) When a dealer to whom a business or part of a business has been transferred, or who has obtained the whole or part of the stock relating to the business of a partnership which has been discontinued or dissolved, obtains a certificate of registration under sub-sections (*1*) to (*3*) he shall be liable to pay the tax on the sales or supplies of goods effected by him with effect from the date of such transfer of business, discontinuance or dissolution of the partnership, as the case may be."

Insertion of new section 18-A in Bom. V of 1946.

14. After section 18 of the said Act, the following new section shall be inserted, namely :—

Liability to tax on cancellation of certificate.

"18-A. When a certificate of registration is cancelled under sub-section (*6*) of section 8 in any case other than that of a dissolution of a firm, the dealer shall be liable to pay tax on his stock of goods remaining unsold at the time of cancellation of the certificate."

Amendment of section 19 of Bom. V of 1946.

15. In section 19 of the said Act, the words " or contract " wherever they occur and the words " contract entered into or " and the words, figures and brackets " under sub-section (*3*) of section 8 " shall be deleted.

Insertion of new section 19-A in Bom. V of 1946.

16. After section 19 of the said Act, the following new section shall be inserted, namely :—

Powers of Court to Commissioner.

" 19-A. For the purposes of this Act, the Commissioner shall have the same powers as are vested in Courts in respect of—

(*a*) proof of facts by affidavits ;

(*b*) summoning and enforcing the attendance of any person and examining him on oath ;

(*c*) compelling the production of documents ; and

(*d*) issuing commissions for the examinations of witnesses."

Amendment of section 29 of Bom. V of 1946.

17. In sub-section (*2*) of section 29 of the said Act,—

(*a*) for clause (*a*) the following shall be substituted, namely :—

" (*a*) the period for return of goods under clause (*j*) of section 2 ; " ;

(*b*) after clause (*f*) the following new clause shall be inserted, namely :—

" (*ff*) the manner in which a certificate of registration may be granted under sub-section (*1*), and the manner in which application may be made under sub-section (*5*) of section 8-A ; " ;

(*c*) after clause (*n*) the following new clause shall be inserted, namely :—

" (*nn*) the period for obtaining certificates of registration under sub-section (*2*) or (*3*) of section 18 ; ".

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